

Statement by Rep. Henry A. Waxman
Hearing of the Subcommittee on Health
"Medicare Reform: Providing Prescription Drug Coverage for Seniors"
February 15, 2001

It is an indication of the importance of the need to provide prescription drug coverage for seniors that this topic marks the first hearing of the Subcommittee on Health in this Congress. I think the large majority of this Committee, and indeed of this Congress, recognize that we cannot fail to enact legislation that will provide seniors and disabled persons with the coverage they desperately need.

We are going to hear some interesting testimony today. We will hear again that seniors as a group are most dependent on prescription drugs, simply because they are older and sicker than the population as a whole.

We will hear again that many seniors lack coverage, and even those who are covered are finding that their coverage is eroding –whether it is retiree coverage provided by their former employers, MediGap coverage which is increasingly unaffordable, or coverage through Medicare +Choice plans.

We will hear again that seniors without coverage end up paying the highest prices for their drugs—simply because they do not have the advantage of group purchasing power. But even buying at discounted rates continues to be costly and beyond the means of many seniors.

And finally we will hear again that although Medicaid makes a significant contribution in terms of drug coverage for the poor, and supplementary State-run programs to provide drugs have been tried to extend that coverage to higher income seniors, generally those programs have had only very limited success in reaching their target populations.

We will hear again what we all know: that all seniors and disabled beneficiaries need a drug benefit. They need it to be an assured benefit, a defined benefit, and an accessible and affordable benefit.

This isn't only a problem for the low income. It isn't just a problem for people in some areas of the country. It isn't a problem that will solve itself if we do not take action. Every day we delay makes the problem worse.

This is the reform of Medicare that we all know we must make, and we need to do it now.